
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 10.8.2009

Wall Street Journal: "Drought of Credit Hampers Recovery ... A year after the U.S. economy was brought to its knees by the bursting of the housing bubble, credit for consumers is still being aggressively ratcheted back."

Wall Street Journal: "Frank's Plan Criticized As Too Lax ... Two federal regulators criticized parts of Rep. Barney Frank's proposal to overhaul financial regulation, saying it will let large companies escape restrictions on the types of financial products that contributed to last year's crisis."

Wall Street Journal: "Housing Inventory Declines, But Supply Remains Plentiful ... The number of homes listed for sale declined in many U.S. cities in September, though supplies generally remain plentiful and future foreclosures cloud the outlook."

Wall Street Journal: "Fed Frets About Commercial Real Estate ... Banks in the U.S. "are slow" to take losses on their commercial real-estate loans being battered by slumping property values and rental payments, according to a Federal Reserve presentation to banking regulators last month."

Wall Street Journal: "Asian Central Banks Intervene as Dollar Tumbles ... The U.S. dollar continued to tumble against most Asian currencies Thursday, prompting a wave of foreign-exchange intervention by central banks in South Korea, Taiwan, the Philippines and Thailand seeking to limit damage to their export industries."

Wall Street Journal: "Fannie and Freddie to Aid Mortgage Banks ... Fannie Mae and Freddie Mac are preparing to introduce a program aimed at helping independent mortgage banks acquire the short-term credit they need to make home loans, according to people familiar with the plans."

Wall Street Journal: "Another Scary Czar ... The time of year has arrived again when the stores fill up with the masks and costumes of Halloween. Some folks probably think Washington has spent most of the past year creating scary things, from the Stimulus Monster to the Trillion Dollar ObamaCare castle. But wait, there's more. Moderate Democrats in Congress, small-town bankers and their customers are now trying to protect themselves from yet another Beltway "czar.""

Washington Post: "WWII's Unclaimed Treasure ... Nearly 70 years ago, the federal government began issuing hundreds of billions of dollars in savings bonds to finance the greatest war effort in the nation's history, with no less than President Franklin D. Roosevelt, who summoned patriotic Americans to "one great partnership," buying the very first."

Washington Post: "Consumers Keep Paying Off Credit Cards, Building Up Savings ... Consumers continued to retrench in August, with borrowers reducing their credit card debt for the 11th consecutive month, according to figures released by the Federal Reserve on Wednesday."

LA Times: "FHA may be setting up repeat of housing bubble, lawmakers worry ... In the wake of the mortgage meltdown, the Federal Housing Administration has emerged as a pillar of the still wobbly housing market -- providing vital insurance that enables borrowers to qualify for loans with as little as 3.5% down."

Reuters: "Fed becomes reluctant landlord ... The Federal Reserve's ballooning balance sheet is turning into something of a legal morass."

Reuters: "Foreclosures mark pace of enduring U.S. housing crisis ... Every 13 seconds in America, there is another foreclosure filing."

Bloomberg: "Derivatives Bill's Loophole May Exempt Most Firms, Gensler Says ... Legislation by Representative Barney Frank to tighten derivatives regulation contains an exemption that may let most financial firms escape new collateral and disclosure rules, the head of the Commodity Futures Trading Commission said."

The Hill: "Lawmakers show worry over U.S. dollar's dwindling worldwide status ... New waves of concern are rippling through Congress over the state of the U.S. dollar amid record budget deficits."

The Hill: "Issa presses Bernanke, Paulson on Bank of America bonuses to Merrill Lynch ... The top Republican on the House oversight committee said on Wednesday that federal regulators likely knew earlier than they have said about billions of dollars in bonus payments from Bank of America to Merrill Lynch employees."

The Hill: "Frank works to tighten oversight of derivatives in financial legislation ... The House Democrat spearheading financial overhaul legislation said on Wednesday that lawmakers are still closing loopholes and altering a major bill that regulates the multitrillion-dollar market for financial derivatives."